UNDP

UNITED NATIONS DEVELOPMENT PROGRAMME

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DP/PROJECTS/2614
(URT/74/029)
21 December 1979

ENGLISH ONLY

APPROVAL OF LARGE-SCALE UNDP ASSISTANCE TO A PROJECT OF THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA

Project title and number:	Dairy Development Services (Supplementary Assistance)(URT/74/029)
Executing Agency:	Food and Agriculture Organization of the United Nations (FAO)
Government co-operating agency:	Ministry of Agriculture
Date of approval:	December 1978
Starting date for project operations:	- 1/
Duration:	Seven years and six months 2/
Estimated value of the Government additional input expressed in US dollars:	$231 990 (Cost sharing, in cash(convertible currency)) 3/
Estimated UNDP additional contribution:	$1 038 500
Source of UNDP financing:	Indicative Planning Figure (IPF)

I. Background

1. Tanzania's need for milk and dairy products far outstrips both the supplies available from domestic production and imports, and future projections suggest a widening of the gap, due to population growth as well as balance-of-payments shortages. At the same time, it is estimated that the country possesses a great potential for milk and dairy production and the Government has therefore embarked on a vigorous programme of expansion of this sub-sector. A significant role in this programme has been reserved for external assistance, in which the International Bank for Reconstruction and Development (World Bank)/International Development Assistance (IDA) and UNDP feature prominently. Under the earlier part of the project a converted programme has been prepared to co-ordinate the various national dairy development projects assisted by a number of bilateral and multilateral donors. Other achievements of the project are the preparation of the National Dairy Development Plan, improvement of artificial insemination and counterpart training.

1/ Project operations started in March 1975.

2/ Including the project's previous duration of three years and six months.

3/ Includes $28,490 for Executing Agency support costs.

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2. The project has now been operational for three and a half years. The Tripartite Review held on 28 January 1976 and a recent FAO Evaluation/Formulation Mission (June/July 1978) recommended extension of the project until June 1981. As in the case of the earlier assistance, UNDP assistance during the extended duration of the project is expected to operate in harness with the next phase of World Bank/IDA financing.

II. The project

3. The development objective of the project remains unchanged, i.e. to develop the national dairy industry so that the country will be self-reliant in fulfilling vital nutritional needs of the population.

4. During the extended period the immediate objectives of the project will be to: (a) introduce appropriate technologies on small dairy farms; (b) conduct an indepth survey of the feedstuff industry and improve food composition for milk cattle; and (d) prepare a Phase II Dairy Development Project for IDA financing.

5. UNDP will provide for a dairy economist, two dairy extension experts, extension of the posts in dairy production, dairy husbandry and dairy technology; eight months of consultancy services and various sub-disciplines of dairy production, equipment, and fellowships to help to remedy the shortage of national counterpart personnel.

6. The expenditure components of the UNDP contribution are as follows:

	Previous approval		Present approval		Total approved	
	m/m	$	m/m	$	m/m	$
Experts and administrative support personnel	192	598 500	32	665 583	224	1 264 083
Subcontracts		-		527 923		527 923
Training		88 200		(23 222)		64 978
Equipment		51 500		32 400		83 900
Miscellaneous		28 500		39 316		67 816
Total		766 700		1 242 000		2 008 700
Of which UNDP financed input		766 700		1 038 500		1 805 200

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